

Services marketing

[Business](#), [Marketing](#)



In this report, Banyan Tree and its development was evaluated. Under the leadership of Mr. Ho Kwon Ping, Banyan Tree was positioned to cater to a niche market segment that wanted private and intimate accommodations without the expectation of glitzy chain hotels. After that, Banyan Tree started operations in the luxury resorts market in Phuket and subsequently expanded to Bintan and Maldives. Its success can be attributed to that it knew what the customers value, created the brand and applied that understanding to shape a truly differentiated customer experience with the "Banyan Tree Experience".

After establishing a foothold in the luxury resorts market, it introduced other services. Each time, a different brand, like the Angsana brand, to provide the spa services, is launched, care is taken so that the original brand focus is not lost. In the same period, it has also trained a good team of staff to uphold the brand and the values that it carries, so that the customer experience would be the best. The marketing communications strategy is a highly effective one.

When Banyan Tree was first launched, extensive advertising was carried out for a short period of time to generate brand recognition in the industry. Later, global exposure was also achieved through Banyan Tree's membership in the Small Luxury Hotels and Leading Hotels of the World. Subsequently, the advertising was mainly in high-end travel magazines in key markets. With a good brand portfolio like Banyan Tree and Angsana, the company would be in a good position to explore American as well as European shores.

Other service brands that give the "Banyan Tree Experience" should be looked into as well. On the whole, the team feels that the company has performed well with a good branding strategy and sound marketing communications strategy.

1. Main Factors that Contributed to Banyan Tree's Success

For a company to be successful, there can be quite a few factors. However, in case of Banyan tree, the real reason is having a good experienced leader, who can chalk out good strategies and subsequently see them through to completion. Banyan Tree was setup by Mr.

Ho Kwon Ping, an experienced leader, someone who has had his share of mistakes and learnt from his mistakes. We can make out from his attached interview of June 2004, or his interview in business times of 23rd August, that he is a very practical man who understands the intricacies of setting up global business. He considers Education to be a tool, took nine years to get his Bachelors degree and now heads Universities. What has worked well for him and Banyan Tree resorts are the key service strategies, which were thought off and implemented well. Its key success factors have been:

Banyan Tree was promising its customers, a romantic getaway that will be close to an out of the world experience. It delivered its promises because the product was designed keeping in view the customers needs rather than what Banyan Tree can offer. Since the promise and the delivery were balanced equally, the brand equity became stronger and the company achieved Branding Excellence. 'Banyan Tree Experience' was the unique proposition Banyan Tree was offering to its customers. This experience was close to a

dream and there were not many hotels which were providing that kind of an experience.

Banyan Tree knew that it had to do intelligent selling since the brand equity was to be maintained high as its target customers were wealthy people.

Banyan Tree was offering a product which appealed to senses more than anything. Customers would carry memories of the time spent in Banyan Tree resorts and the impact of the experience was maximum in post-consumption period. Advertising campaign would help in creating only brand awareness.

But brand selling would happen only through word of mouth publicity and one on one selling.